Supply Chain Management Essentials

Supply Chain Management · Practice Test · 12 Questions

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1. What is the primary role of a 'last-mile' delivery in a supply chain?

A) Transporting raw materials to factories
B) Moving goods from a distribution hub to the final customer
C) Designing product packaging
D) Storing finished goods in a warehouse

2. Which document is issued by a carrier to acknowledge that goods have been received for shipment?

A) Bill of Lading
B) Purchase Order
C) Invoice
D) Sales Receipt

3. What does the acronym 'SKU' stand for in inventory management?

A) Standard Knowledge Unit
B) Stock Keeping Unit
C) Supply Key Utility
D) Shipping Known Unit

4. In supply chain management, what does 'Just-in-Time' (JIT) refer to?

A) Prioritizing expensive products
B) Reducing waste by receiving goods only as they are needed
C) Shipping items only on weekends
D) Ignoring inventory levels

5. Which entity is typically responsible for transforming raw materials into finished products?

A) Retailer
B) Manufacturer
C) Consumer
D) Logistics Broker

6. What is the term for the process of moving goods back from the customer to the seller, often due to returns?

A) Forward Logistics
B) Reverse Logistics
C) Inventory Rotation
D) Lead Time

7. What is 'Lead Time' in a supply chain?

A) The weight of a shipment
B) The time between ordering a product and its delivery
C) The cost of warehouse rent
D) The distance a truck travels

8. Which type of transport is typically the fastest but most expensive for shipping goods?

A) Rail freight
B) Sea freight
C) Air freight
D) Road trucking

9. What is a 'Warehouse Management System' (WMS) primarily used for?

A) Creating advertising campaigns
B) Tracking inventory levels and storage locations
C) Hiring warehouse staff
D) Calculating corporate tax

10. Which term describes the entire network of entities involved in producing and delivering a product?

A) Supply Chain
B) Profit Margin
C) Marketing Mix
D) Market Share

11. What is 'Safety Stock' designed to prevent?

A) Product obsolescence
B) Stockouts due to unexpected demand
C) Excessive shipping speed
D) Marketing overhead

12. Which of these is considered a 'raw material' in the production of furniture?

A) Finished chairs
B) Lumber
C) Price tags
D) Customer feedback